

EU Gender Equality Strategy 2020-2025

The European Commission published a strategy on gender equality, which is a core value of the EU and enshrined as a key principle in the European Pillar of Social Rights. In the coming years, the Commission intends to address different areas including gender violence and stereotypes, and a gender equal economy and society.

The below provides a more detailed brief on the upcoming EU actions as well as a Maltese business reaction to the strategy.

Being free from violence and stereotypes

Aside from being a fundamental right, gender equality brings out the full potential in the economy and society. Everyone benefits from higher productivity and more growth. There are different areas of gender inequality to be addressed, including in employment, pay, care, leadership, and pensions.

Addressing gender-based violence including domestic violence and abuse of women as well as sexual harassment at the workplace requires consistent and long-term efforts to address problems in rooted in society.

The best prevention to violence and harassment is education from an early age, where boys and girls learn from an early age about gender equality and non-violent relationships. This needs to be supported by an efficient criminal justice system and victim support services. In this respect, the Commission will continue encouraging member states to ratify the ILO Convention on combating violence and harassment in the world of work, as well as existing EU rule aimed at protecting workers and raise awareness of the problem.

Another big challenge is to **address gender-based stereotypes ingrained in society that act as a barrier to the professional aspirations and freedom to choose a career pathway** for many. For instance, only 10 per cent of workers in transportation are women, while only 25 per cent of workers in care and social activities are men. The share of men working in the digital sector is 3.1 times greater than the share of women. This ultimately results in a wider gender pay gap.

Digitalisation and stereotypes: The Commission is confident about the potential of **artificial intelligence** (AI), but also wary of the risk that AI may repeat, contribute or amplify gender

biases through its data selection and output. It intends to address this through a white paper on AI that among others would also address EU values, fundamental rights, non-discrimination and gender equality.

Gender equal economy

While women's employment rate has increased in the EU more than ever before, there is still an imbalance in the overall gender participation in the labour market. More efforts are required to break down the barriers that women face to enter the workforce.

The Commission will ensure that member states implement the **work-life balance directive** correctly to balance more the share of caring responsibilities between parents.

It will also continue monitoring gender equality challenges in member states in the areas of labour market, social inclusion and education dimensions through the **European Semester** and propose recommendations in that respect.

The Commission requires that social and economic policies, taxation and social protection systems do not result in gender inequalities and will develop guidance to member states to ensure fairness.

As part of the transition to a digital economy it is important that women are equipped with digital skills and they pursue more careers in digital related professions. To date, women only represent 17% of people in ICT and 36% of STEM graduates. Efforts to address this will be made through the **Agenda Skills for Europe**, the **Reinforced Youth Guarantee** and the **Women in Digital scoreboard**.

The Commission also looks to address the gender pay gap through a targeted **binding pay transparency measure**. This would provide the right to employees to obtain information about pay levels, while requiring companies to compile reports and pay audits in some cases, on pay levels by job category. Analysis will be required to be made on gender imbalances in job categories and justify or address accordingly.

Gender balance in decision making and politics

The Commission observes that there are still far too few women in leading positions, both in public service as well as the private sector. It believes that more inclusion and diversity is essential to bring forward new ideas and innovative approaches that better serve the EU society. It will therefore push for the adoption of the **2012 proposal for a directive on improving the gender balance on corporate boards**, which sets the aim of a minimum of 40% of non-executive members of the under-represented sex on company boards.

The Commission will in the meantime continue facilitating the exchange of good practices through the **EU Platform of Diversity Charters** and the **European Gender Diversity Index**.

The Maltese perspective

Gender equality is a priority that needs addressing both nationally and at a European level. Issues such as the gender-pay gap, the pension gap, and harassment at the place of work need horizontal solutions at different levels and sections of society.

Gender equality can be achieved if every person has access to the same opportunities and is treated fairly in different stages of their lives, including to make career choices free of stereotypical pressures, the share of time dedicated to family care and household work, and opportunity for career progression.

At the same time, with respect to specific measures included in the EU strategy, the MBB remains cautious on the Work-life Balance Directive. While supporting a better share of caring responsibilities between working parents, the MBB believes that EU member states should make use of a policy mix according to their respective national requirements without undue pressure of introducing excessive financial burden on the economy impacting productivity and the competitiveness of business. For instance, Malta successfully adopted other measures such as the 'Free Childcare Scheme', while other countries have not. This shows that a common challenge can be addressed through different means.

Also, the MBB will look forward to examining the upcoming Commission proposal on binding measures on pay transparency and the impact this would have on companies, particularly small and medium enterprises. It encourages for more dialogue with social partners based on evidence emerging from impact assessments before rushing to introducing new binding measures.

Furthermore, on reviving the Directive on improving the gender balance on corporate boards, the MBB believes that gender equality in leadership positions should continue to be driven by voluntary actions based on investing in talent and promoting fairness at the workplace. More investment in the sharing of best practices would also be a useful way for companies to showcase how more inclusion and diversity brings about more new ideas and innovative approaches.

For questions or more detailed information please contact EU Affairs Manager Daniel Debono and Senior Advisor Mark Seychell from the Malta Business Bureau's Brussels Representative Office on <u>infobrussels@mbb.org.mt</u>

